

OUR
TENTH YEAR!

pRide

OCTOBER
1995

THE NEWSLETTER BY AND FOR

RHODE ISLAND STATE EMPLOYEES

IRS RULING MAY AFFECT DEFERRED COMPENSATION PARTICIPANTS

by Brian Keeler, Chief of Employee Benefits

The Department of Administration has received several inquiries from employees who participate in a Section 457 Deferred Compensation or a Section 403(b) Tax Deferred Annuity Program as to the affect their contributions will have on their pension benefit. Generally speaking, most individuals who make contributions to such programs will not impact their pension benefit. In order to determine if your contributions will have an impact, it is most important that you have a basic understanding of Internal Revenue Code (IRC), Section 415.

IRC Section 415 limits the annual pension contributions and/or benefit a public or private sector employer may fund or distribute to retirees. In general, a pension benefit may not exceed 100% of the average of the highest 3 consecutive years "includible compensation" (taxable earnings). Includible compensation for purposes of Section 415 **excludes** 457 plan deferrals; 403(b) salary reduction contributions, and 414(h) pick-up contributions (i.e., your mandatory pension contribution).

The primary issue concerning Section 457 and 403(b) program participants is that government pension benefit calculations are generally based on total compensation. Section 415 Limits are based on taxable compensation. In some cases, 457 and 403(b) deferrals can reduce compensation for purposes of the 415 test and may serve to reduce an employee's pension benefit.

Who is most likely to be affected? Employees with exceptionally long service (30+ years), individuals deferring at maximum levels, or individuals utilizing the plan catch-up provision.

Again, contributions to a Section 457 or 403(b) program do not necessarily mean a reduction in your pension benefit. Individuals that are considering retirement in the next 4 years, and fall under the above mentioned categories, are advised to contact the State Retirement Office, at 277-2203, for a quick calculation of their pension benefit. Additionally, your **Aetna** or **VALIC** Representative, or personal tax advisor, can provide additional information regarding this subject. Of those individuals who may be affected, it may simply require a reduction in your contribution to the Deferred Compensation program. Prior to making any contribution changes, I urge you to obtain a pension calculation.

The State Retirement Office will soon be distributing a memo to every state employee providing additional details regarding the Section 415 Limits.

Deferred Compensation and Tax Deferred Annuities continue to be viable retirement savings vehicles for many state employees wishing to reduce current state and federal income taxes. Additional information regarding this significant benefit can be obtained by contacting your local **Aetna** or **VALIC** Office.

GOVERNOR, TREASURER LAUNCH DIRECT DEPOSIT PROGRAM

Governor Lincoln Almond and General Treasurer Nancy Mayer have jointly announced that the State will soon begin to offer its employees the opportunity to participate in a direct electronic transfer of their net pay to a designated financial institution.

The Governor characterized the program as "a real win-win situation for state employees . . ."

General Treasurer Nancy Mayer called the move "a great way to streamline state government and its operations."

The benefits to state workers are several:

- greater security
- instant availability of funds
- convenience (eliminates the need to stand in long lines at the bank)
- interest earned as of payday

The State in turn will benefit from:

- a cost reduction in the distribution of payroll checks
- a reduction in the number of paper checks processed and related accounting functions
- improved monitoring of cash flow
- tighter control over timely investments.

The program is to begin in January, 1996, but, the benefits to workers and the State enumerated above can only be realized if enough state employees participate in the program.

So, if you haven't signed up for direct deposit, do so today. See your department payroll officer.

FIELD'S POINT TREATMENT FACILITY 'BEST IN THE COUNTRY'

The Narragansett Bay Commission's Field's Point Wastewater Treatment Facility has received the Environmental Protection Agency's (US EPA) 1995 **national first place award**. This honor recognizes the facility for its outstanding operation and maintenance program.

EPA states that their selection was based on the facility's demonstrated innovative and cost-effective achievements, and the result of an extensive national competition. Field's Point represented New England (Region I) and competed with the nine other national regional winners in the large secondary facility category. According to EPA, there are over 80 large publicly-owned wastewater treatment facilities (POTW) regionally, and 500 nationwide. (Facilities with a capacity of 10 million gallons per day or more.)

"This is truly a landmark day for the Narragansett Bay

(continued on page 6)



95-16 7-13-95

Waives user fees at State Beaches, Parks and Recreation Areas on 8-14-95.

95-17 7-13-95

Adds up to three public members to Economic Development Council.

95-18 7-18-95

Appoints Colonel Reginald A. Centracchio, Adjutant General of the State of Rhode Island.

95-19 8-16-95

Transfers all functions of the Department of Substance Abuse to the Department of Health effective at 5:00 p.m. on 8-18-95.

95-20 8-22-95

Establishes the R.I. Unemployment Insurance Reform Task Force to develop ways to reduce the cost of unemployment insurance to business in Rhode Island.

95-21 8-22-95

Establishes the R.I. Insurance Development Task Force to develop means of establishing R.I. as a highly competitive State in which to domicile companies in one or more segments of the insurance industry.

95-22 8-14-95

Amends memberships of the Insurance Task Force contained in EO 95-21.

95-23 8-18-95

Amends the make-up, meeting frequency and responsibilities of the Emergency Hiring Council created by EO 95-2.

For more information or copies of Executive Orders, call the **Office of the Executive Counsel, 277-2880, Ext. 258.**

GETTING MARRIED?

Want the perfect setting for your wedding ceremony and/or reception? Of course you do.

How about a cosy, inviting lodge setting amid 2300 acres of pine-scented forest complete with murmuring streams and a sparkling lake? Sound good?

The University of Rhode Island is now hosting weddings and other social events at its Whispering Pines Conference Center on the W. Alton Jones Campus in West Greenwich.

Sleeping accommodations total 32 rooms located in four guest houses, and include a special honeymoon suite.

For weddings, couples may hold their ceremony out-of-doors in a pine grove by the lake, or indoors by the fireplace in one of the lodges.

Whispering Pines' wedding coordinator will work with the couple to assist with all the details, including the reception meal, and will be present at the wedding to ensure a memorable day.

For more information, a complimentary tour of the facility, or to schedule your special event, call **401-397-3361, Ext. 6056**, or write to **Wedding Coordinator, Whispering Pines Conference Center, W. Alton Jones Campus, West Greenwich, RI 02817.**

O.T.D.

Office of Training and Development

FALL COURSES

November

- 2 Understanding Divorce Mediation
- 2 Situational Leadership
- 3 Effective Writing
- 8 Using the TDD
- 8 Ethical Issues in Workers' Compensation
- 10 Assessment and Treatment Strategies in Sex Therapy
- 15 Children of Domestic Violence
- 17 Anxiety Disorders
- 17 Intermediate Lotus 1-2-3

December

- 4 Documenting for Discipline
- 5 Open Meetings and Public Records
- 6 Telephone Techniques
- 7 CPR
- 8 Addressing the Needs of Gay and Lesbian Adolescents
- 11 Newsletter Publishing with Word Perfect 5.1
- 12 Self-Defense for Women
- 12 Governmental Immunity
- 15 Using Self-Assessment Instruments

BEGINNING NOVEMBER 1

Have Fun and Get Fit! Have a great workout at your own pace and so conveniently! Participate in up to 12 classes right here in the Department of Administration Training Room A beginning November 1, 4:15 - 5:15 p.m.

Monday, Wednesday and Thursday

Bring your own mat or a towel

Wear good shoes

FOR MORE INFORMATION call the Office of Training and Development (OTD) at 277-2877. For hearing impaired TDD 277-6144.

PRIDE, the state employees' newsletter, is published bi-monthly by the Division of Human Resources, Department of Administration, William E. Powers Building, One Capitol Hill, Providence, RI 02908-5860. 277-2200

Director of Administration:

Robert L. Carl, Jr., PhD
(Acting Director)

Associate Director, Administration/Human Resources:

Robert G. Tetreault

Personnel Administrator:

Anthony A. Bucci

Editor-in-Chief:

Donald J. Boisvert

Executive Editor:

Beverly A. Dwyer

State Photographers:

Alex Tavares, DOT
Chel Browning, DED

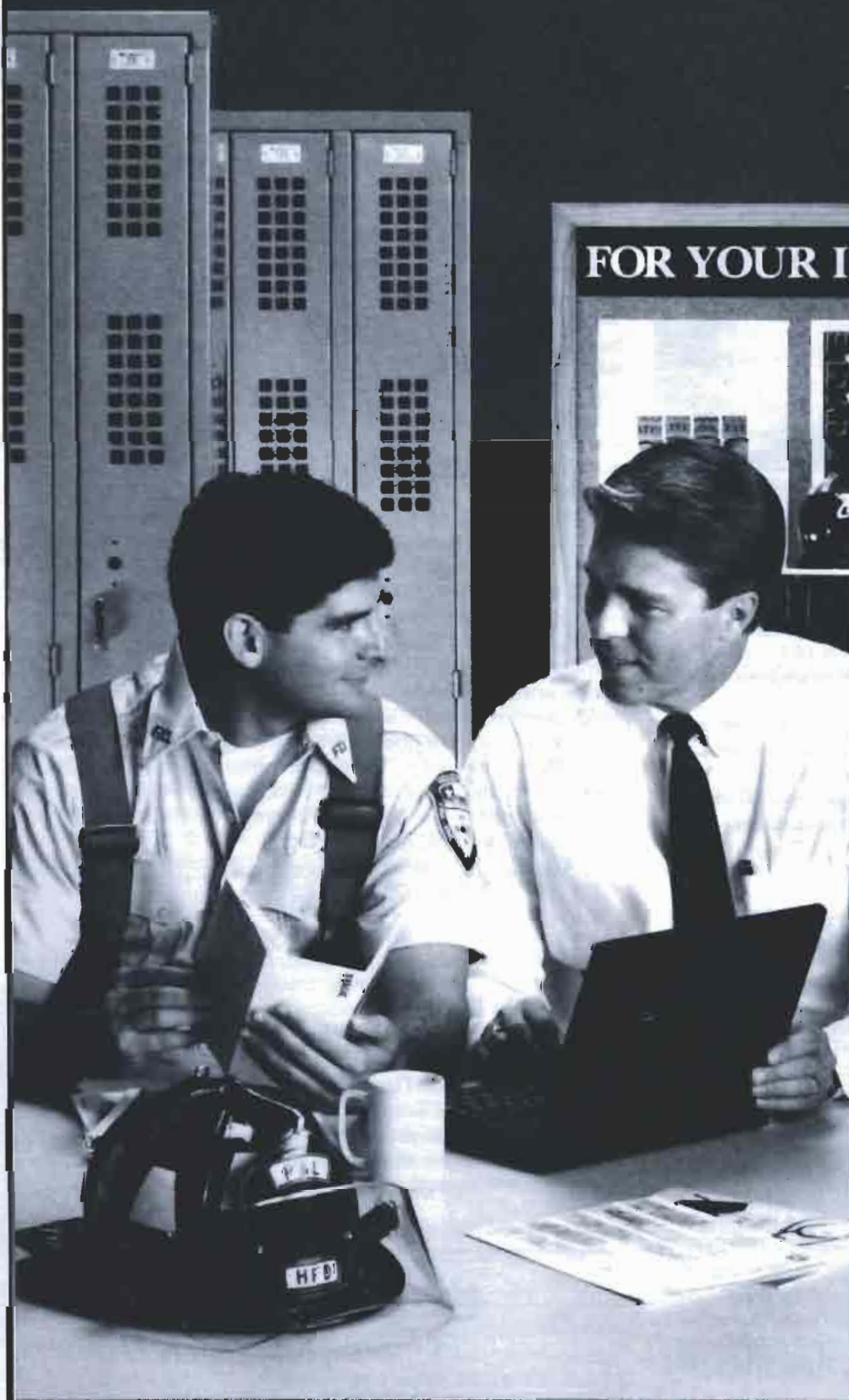
Editorial Board:

Susan Anderson, NBC • Johanna Bell, DOH • Patricia Borges, MHRH • Becky Bovell, DED • John DiTomasso, DOA • Anne Gregson, GTO • Joan Grenga, CJTD • Larry Grimaldi, DEA • Douglas Hartley, PUC • William Hawkins, III, CRMC • Frank Iacono, DLS • Raymond LaBelle, EMA • Tracey Manni, GO • Patricia Mathews, DCYF • Linda McArthur, RIHMFC • Delma McConnell, RILC • Sandra Nadeau, CCP • Nancy Pitford, DET

Deadline for contributions to the December issue is Nov. 10, 1995.

The State of Rhode Island is an equal opportunity employer and reasonable accommodations will be provided. For assistance, call EEO Office at 277-3990. (TDD 277-6144).

VALIC's 457 Deferred Compensation Plan-For all your retirement needs



The power of personalized retirement planning.

Planning for retirement can be difficult — there are tax laws, investment decisions, and economic forecasts to consider. That's why it's wise to consult with a leading provider of retirement annuities — VALIC.

Get the help you need.

Your VALIC Retirement Plan Specialist will help you develop a plan based on your needs and your financial situation. We'll show you the advantages of tax-deferred annuities under our 457 Deferred Compensation Plan for government employees. We'll also counsel you on the basic keys to retirement planning:

- **Retirement Needs Analysis —**
The difference between projected retirement income and what you'll need to meet your goals.
- **Paycheck Comparison Analysis —**
The effect contributions will have on your current financial program.
- **Financial Analysis —**
The cash value growth of your retirement fund, based on projected fixed interest rates, years to retirement, taxes, and other factors.

Put it to work for you.

There's a VALIC Specialist near you. Call 1-800-44-VALIC (1-800-448-2542) and put the power of personalized planning to work today.

America's Retirement Plan Specialists:

VALIC®

★ An American General Company

©1995 The Variable Annuity Life Insurance Company, Houston, Texas. VALIC is a registered service mark of The Variable Annuity Life Insurance Company.

R.I. WOMEN CELEBRATE EQUALITY DAY; FORM NEW GROUP

The Rhode Island Commission on Women (RICW), together with a host of other women's groups, commemorated the 75th Anniversary of the 19th Amendment to the U.S. Constitution with a special program on August 24, in the Atrium of the William E. Powers Building.

The two-part program celebrating women's Equality Day, included a Right to Vote segment highlighted by the announcement of a newly formed group, **Rhode Island Agents for Action (RIAA)**, whose announced purpose is to get out the vote.

The second part of the program recognized past and present female elected officials for their contribution to Rhode Island public service.

While celebrating the Diamond Jubilee of the suffrage movement with exhibits of period photos, relevant documents and memorabilia took center stage, the emphasis clearly was on the future, with voter registrars active throughout the late afternoon proceedings.

RICW Commissioner **Beverly Dwyer**, coordinator for the Women's Equality Day Program announced the formation of the new, independent, non-partisan, nonsexist organization, Rhode Island Agents for Action (RIAA). The organization is the result of the combined efforts of the R.I. League of Women Voters and the Rhode Island Commission on Women.

The primary goal of the new group is to increase voter participation. According to Dwyer, women activist groups firmly believe that the power and impact of the vote will effectuate change through a greater involvement of women in elected office, and in policy making positions and commissions. RIAA, she says, "will turn words into action."



Governor Lincoln Almond and RICW Commissioner Beverly Dwyer, during Women's Equality day program activities in the atrium of the Wm. E. Powers Building.

"Changing demographics, increasing technology, societal changes in general, and a growing complacency on the part of the voting electorate, call for rethinking our approach to voting and citizen involvement," said Dwyer.

She is convinced that the women's vote can bring about change.

"Consider that 75 years ago women were denied the right to vote. Seventy-five years later, national data shows that women make up approximately 53% of the population, nearly half of the workforce, and nearly 55% of the eligible voters. More importantly," Dwyer emphasizes, "statistics show that women are more likely to vote than men!"

RIAA's first membership meeting will be held in January, 1996.

R.I. CHAPTER IPMA IS HOST TO EASTERN REGION MEETING

The International Personnel Management Association's Eastern Region Training and Development Conference, hosted by the Rhode Island Chapter, was held at the Hotel Viking, in Newport, in early summer. The program, whose theme was "Building Bridges in Human Resources," drew some 180 participants, primarily public sector human resource managers, from the eastern U.S., Puerto Rico and the Virgin Islands. Eastern Region President Ron Clare, RI's Chief of Merit Selection and Classification, hosted an opening reception on the rooftop of the Viking. At the reception, long-time R.I. Chapter Board member Fred Colonies, for many years CCRI's chief human resource executive, was recognized and honored for career achievement and contributions to IPMA. Ron Clare, a founder of the RI Chapter, was similarly recognized.



Left, Wayne Etheredge, President Elect of IPMA International from Florida presenting an award of appreciation for service to Ron Clare, outgoing President of the Eastern Region.

Conference highlights included a keynote address on "The Role of Diversity in Human Resource Management," presented by Calvin Morgan, Management Development Administrator at Northeast Utilities, and a well-known organizational consultant and trainer; and a plenary session. All of the workshops were related to the "Building Bridges" theme.

The Conference Awards Luncheon included the presentation of Certificates of Appreciation to Host Committee members. These included Co-Chairs Bob Holmes (immediate past president of the RI Chapter) and Dave Carpenter (current President), both from MHRH's Division of Human Resource Management; Dr. Ralph Rodriguez, Patricia Caldwell, Ilda Filippini and Karen Shaw, also from MHRH; Debra Jodoin and Ron Clare from DOA; Bette Brady from RIC; Carol McMahon from DCYF; and retired RI State Trooper Frank Clifford. A number of other RI Chapter members helped out. Their contributions made the event a tremendous success, as did the sponsorships of RI DOT and RI MHRH. Thanks, too, and a tip of the hat to MHRH's Public Information Office, which contributed artwork and layouts.

The social highlight was an unforgettable formal dinner-dance held at Rosecliff, one of Newport's magnificent Gatsby-era mansions on Bellevue Avenue.

Next year's Eastern Region Training and Development Conference will be held June 22-26, 1996 at Princeton, New Jersey.

The Executive Board of the host R.I. Chapter met during the regional conference and elected the following slate: President, **David Carpenter**, MHRH; Past President, **Robert Holmes**, R.I. Medical Center; President Elect, **Frank Clifford**, Retired State Trooper; Secretary, **Debra Jodoin**, OPA; Treasurer, **Bette Brady**, RIC; Members-at-Large **Carol McMahon**, DCYF; **James A. Pitasi**, OPA; **Dolores Sisson**, DBR; **Richard Esposito**, MHRH; **Steve Rotondo**, Brown University; **Ronald P. Clare**, OPA; and **Fred Colonies**, CCRI.

The Choice for Section 457 Deferred Compensation is Clear

Here are some advantages of Deferred Compensation:
Immediate Tax Savings • Tax Deferred Earnings • Investment Flexibility
• Payroll Deduction • Choice of Payout Options

Aetna's variable annuity contract offers a choice of 12 investment options ranging from Conservative to Aggressive; 2 guaranteed interest options and 10 variable options. Here is an **Extensive** array of **Leading Investment Companies** at your service *for the long run.*

AETNA

CALVERT

LEXINGTON

TWENTIETH CENTURY

SCUDDER

NEUBERGER & BERMAN

FRANKLIN

For more complete information, including charges and expenses, call for prospectuses. Read carefully before you invest.

**Call (401) 456-2900
or mail in the coupon today.**

Aetna Investment Services, Inc.
50 Holden Street
Suite 200
Providence, RI 02908



(Insurance products offered by Aetna Life Insurance and Annuity Company.
Securities offered through Aetna Investment Services, Inc.)

Yes, I'd like to know more about Deferred Compensation.

Name _____

Employee _____

Dept. _____

Address _____

City _____

State _____

Zip _____

Phone (Work) _____

(Home) _____

Send to: Aetna Investment Services, Inc.
50 Holden Street, Suite 200, Providence, RI 02908

COUNCIL 94 WOMEN'S COMMITTEE 'ADOPT' AMOS HOUSE

The Women's Committee of AFSCME Council 94 recently concluded a month-long food drive to benefit Amos House. Nearly fifty State and Municipal locals affiliated with Council 94 participated in the successful event that resulted in **"the most food ever presented to Amos House from a single food drive."**

The newly formed group has "adopted" Amos House for a year. Chairperson is **Maureen Martin**, Vice-President of Local 1293. Co-Chair is **Linda Riendeau**, President of Local 2448. Secretary is **Mary Bello**, Treasurer of Local 2884.



L to R, Linda Riendeau, President, Local 2448, DOA; Miriam Kimball, Assistant Director of Amos House; Maureen Martin, Vice President Local 1293, MHRH; Andy De Long, Acting Director of Amos House; Tom Chellel, President of Council 94 and President of Local 2409; and Mary Bello, Treasurer, Local 2884, Amalgamated.

The Women's Committee is currently selling key chains to benefit Amos House. The key chain tag, in the shape of a house, bears the inscription, "AFSCME, Council 94 Women's Committee Supports Amos House."

In addition to Amos House related activities, the Committee also participated in R.I. Equality Day events, and in the Labor Heritage Festival held at Pawtucket's Old Slater Mill.

Council 94 members can call the Council at 724-5900 for more information on the Women's Committee and its activities.

FIELD'S POINT (continued from page 1)

Commission, the State of Rhode Island and New England," said Chairman Vincent J. Mesolella. "Fifteen years ago, Providence's Field's Point facility was labeled the second worst municipal pollution source in New England and was responsible for allowing nearly 65 million gallons of untreated or partially treated sewage to flow in Rhode Island's waterways every day. Today, things are different! Today, it is the best operated and maintained large wastewater treatment facility in the country! An honor that has been hard earned by the men and women at the NBC who have dedicated their careers to protecting the public and the environment."

Executive Director Paul Pinault noted that, "since the NBC took over the facility from the City of Providence, pollution in Narragansett Bay has decreased by 84%, and an aggressive NBC pretreatment program has resulted in a 90% reduction in metals entering the facility."

Anyone interested in taking a tour of one of the country's oldest and best operated facilities, may call the NBC Public Affairs Office at 277-6680.

LABOR SECRETARY REICH ANNOUNCES \$3.4 MILLION GRANT FOR DET

U.S. Secretary of Labor Robert Reich announced the award of a \$3.4 million grant to the Department of Employment & Training (DET) to assist 740 dislocated workers from General Dynamics' Electric Boat Division at Quonset Point. The Secretary made the announcement at Women & Infants Hospital in Providence during a brief visit to the Ocean State. An earlier grant of \$1.8 million was awarded DET for previous layoffs at Electric Boat.



On a recent visit to Rhode Island, U.S. Secretary of Labor Robert Reich announced a \$3.4 million grant awarded to DET to help the dislocated workers at Electric Boat.

A key element of the grant is the Career Transition Center located on-site at Electric Boat and staffed with DET Career Counselors. "By offering the Career Transition Center on-site, we found workers are much more likely to take advantage of our services because of the easy access," explained Lawrence G. Fitch, Director of DET. "We also find that the best promotion of the Center is through the workers themselves. Word quickly spreads when a co-worker has successfully gone through a training program and has gotten a job." Career counselors help workers with assessment, vocational planning and training. All affected workers are granted 40 hours of company paid leave to explore job search activities and other initial readjustment services. Training activities are varied and depend on the needs of the worker. Basic skills training, classroom training, on-the-job training and entrepreneurial training are all options available to the workers.

"We want to do everything possible to help the Electric Boat workers make the transition to a new career with a bright future," said Fish.

BITS 'N PIECES

Virginia R. O'Shan, CPA, Chief Taxpayer Assistant at the Division of Taxation has been elected President of the Rhode Island Society of Certified Public Accountants.

The Society is the state's professional organization of CPA's with more than 1450 members in public practice, government and education.



Happy Halloween